

Sample article for organizations to use to reach customers

Customize and provide the following article on your website to help your customers find options for paying their federal tax

Did you earn income from which income tax wasn't withheld? Or did you owe taxes when you filed your tax return?

If the answer to either of these questions is yes, you may want to keep reading!

Did you have income from any of these sources?

1. Self-employment income
2. Interest or dividends
3. Alimony
4. Rent
5. Gains from the sale of assets
6. Prizes
7. Awards

Do either of the following apply to you?

1. You expect to owe at least \$1,000 in tax after subtracting your withholdings and refundable credits.
2. You expect your withholding and refundable credits to be less than the smaller of:
 - 90% of the tax on your current tax return
 - 100% of the tax on your previous year tax return. Your previous year's return must cover all 12 months.

YES? If so, you may need to file Form 1040 – ES and pay estimated taxes. Our federal tax system is essentially a pay-as-you-go system. By paying tax during the year on income that is not subject to withholding, you will avoid a big bill due April 15. The estimated tax process is used to pay income tax and self-employment tax, as well as other amounts reported on a tax return.

NOTE TO EDITOR: Below are links to [IRS.gov](#) information and publications related to estimated tax payment options.

- If you earn a salary or wages, you may avoid having to pay estimated tax by increasing your withholding; this may be done by adjusting your [Form W-4](#), *Employee's Withholding Allowance Certificate*.
- Look for more information in IRS [Publication 505](#), *Tax Withholding and Estimated Taxes*.
- Estimated tax is due four times a year: April 15, June 15, September 15 and the following January 15. To determine how much to pay, see instructions for completing [Form 1040 – ES](#).